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FOREIGN SERVICE DESPATCH

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TO: THE DEPARTMENT OF STATE, WASHINGTON

DECLASSIFICATION DATE 4/2/74

Action Taken

DATE April 30, 1954

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RADIO FOI REC'D 5-5

CASE NO. 64026

INFO OTHER DC/R-2 and to Action 5-7-54

VS/A-3 Attaches, Navy, Air Dir - 24

SUBJECT: Joint Weeka No. 17 for State, Army and Air Departments from S.

Name of Officer - 15 OCT 1 OSD-2

SUMMARY

Action to DC/R

Foreign Minister Toriello this week served notice at a press conference that Guatemala would reject the U.S. claim on behalf of the United Fruit Company and launched into an abusive attack on "Fruit Company representatives" in the U.S. State Department who he said were acting behind President Eisenhower's back.

Guatemala's role as a haven for revolutionaries of the Caribbean area was highlighted by the recent arrival of Carlos PADILLA, an officer of the terrorist Puerto Rican Nationalist Party, and the election of a new slate of officers for the local exile chapter of the Partido Democrático Revolucionario Hondureño, a Communist-tinted party proscribed in Honduras.

The regime's drive against anti-Communist radio programs went forward as the director of Radio Voz de la Telefunken was intimidated into requesting a news program on the station to drop political comment, and the anti-Communist Radio Continental, whose owner has been expelled from the country, was dismantled.

In the background, however, anti-Communist sentiment remains on the upswing as anti-Communist propaganda appeared on walls in many towns throughout the Republic and the anti-Communist organizations came to life to prepare for the anti-Communist Congress in Mexico City at the end of May.

The U.S. negotiations with Nicaragua for a Mutual Assistance Military Pact went virtually unnoticed.

FOREIGN AFFAIRS

Foreign Minister Rejects U.S. Claim, Abuses State Department: Foreign Minister Guillermo TORIELLO told a press conference on April 26 that Guatemala was formally and categorically rejecting the Department's $15,854,849 claim on behalf of the United Fruit Company as "intervention in internal affairs." He reiterated the Guatemalan thesis that the Agrarian Reform Law under which Fruit Company land

JCHill:rd/fpb
REPORTER

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had been expropriated was a law of general character affecting nationals and foreigners and that Guatemala was not disposed to discuss a sovereign act on an international plane.

He interlarded this argument with a vitriolic attack on what he termed "United Fruit Company representatives" in the State Department whom he accused of acting behind President Eisenhower's back. He reiterated the charge (which he has been told is unfounded) that former Assistant Secretary Cabot and Secretary Dulles had personal interests linked with the Fruit Company and disclaimed that the Guatemalan Government was a friend of the U.S. Government and people but an enemy of "officials in the Department of State in the service of the United Fruit Company" who were trying to sow hate between the two peoples.

Puerto Rican Nationalist Leader Welcomed in Guatemala: The left-wing, administration-supported newspaper Nuestro Diario in its April 26 issue carried an interview with Carlos Padilla, Vice Secretary for Foreign Relations of Pedro ALBIZU Campo's Puerto Rican Nationalist Party, who has arrived from Cuba to live in Guatemala. He said that he had been arrested in Cuba after Puerto Rican Nationalists shot several Congressmen in the U.S. House of Representatives and that he had been released through the intercession of the Guatemalan Ambassador.

Honduran Exiles Elect New Officers: The press announced that the local section of the Partido Democrático Revolucionario Hondureño (PDRH) had elected Ramón ROJAS Secretary General for 1954-55 at the head of a new slate of officers of this Communist-tinted Honduran exile group. Rojas has been an exile in Guatemala for some time and associated with leftist "anti-imperialist" activities although there is no evidence of Communist affiliation.

PSYCHOLOGICAL

Drive Against Anti-Communist Radio Propaganda Continues: In the aftermath of last week's raid by masked [illegible] on Radio Internacional (Weeka 16), this week brought fresh evidence that effective pressure was being brought to bear against radio stations which carried anti-Communist and/or anti-Government material. Francisco BARRA Alvarez, Director of a newscast over Radio [illegible] publicly complained that the station director had ordered him to keep political matter off the air and revealed that the station had received several anonymous threatening calls. The Embassy learned from private sources that at least one station owner has been called in by the authorities and warned against criticism of the Government.

Meanwhile, Radio Continental, an independent station which carried anti-Communist programs, was dismantled because the authorities would not acknowledge a manager's right to operate it while the owner, Roberto VILLAMIL, is in exile.

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Although these moves were short of outright suppression of freedom of information, there was no doubt that many Guatemalans, and especially newsmen, were worried. The independent newspapers devoted one or two editorials apiece to the Radio Internacional incident, suggesting it was an attempt at intimidation. Nine radio stations sent a protest to the President demanding protection, and the newspapermen's association, APG, also protested. The Guatemalan Bar Association denounced the increasing lawlessness in the country, citing especially the Radio Internacional raid. Reporters on the independent papers stated privately that they were concerned about the drive against the radio stations because they feared they would be next.

Official Diario de Centro América Resumes Publication: The Government-owned Diario de Centro América resumed publication on April 26 after having been shut down since February 17, reportedly because of newsprint and financial difficulties. The first issue after resumption of publication showed no change of editorial policy: front-page publicity is given Communist-front activities, and the editorial page, notably in an editorial supporting Foreign Minister Toriello's statement on the UFCO case, maintains its anti-United States slant.

DOMESTIC AFFAIRS

Anti-Communist Revival Continues: In the wake of the Archbishop's Pastoral Letter calling for a "National Crusade Against Communism" (Weeks 15 and 16), manifestations of popular anti-Communist feelings continued to appear during the week. A group of Roman Catholic citizens of the historic town of Antigua addressed a message of solidarity to the Archbishop expressing indignation at the initial Communist attacks on his Letter. The painting on walls of the number "22" - referring to the unobserved Article 22 of the Constitution which proscribes political organizations of an international character - not only continued in Guatemala City but spread to Quezaltenango, Puerto Barrios and a number of towns in the interior as a protest against the Communist party. Several persons, mostly students, were picked up by the police for participating in the painting, but most if not all have been released.

Meanwhile, the long inactive Frente Anticomunista Nacional (FAN), the principal coalition of anti-Communist organizations, announced plans to send a delegation to the anti-Communist Congress in Mexico City at the end of May.

Guatemala Apparently Apathetic to U.S. Military Assistance Pact with Nicaragua: The signing of a U.S. Military Assistance Pact with Nicaragua has provoked little noticeable reaction to date in Guatemalan opinion. Newspapers have reported the negotiations, but not with prominence, and the only editorial which has appeared was in the Diario del Pueblo, the uninfluential organ of the Administration Frente de la Revolución Guatemalteca (FRG) which on April 27 described the Pact as a direct threat to Guatemala and revived the old canard about the presence of 700 U.S. Marines in Nicaragua. No Guatemalan

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military officer has mentioned the pact in the hearing of the Embassy staff, and comment from political contacts has been unexcited. The Communists, who earlier this year made much of the U.S. training mission agreement with Nicaragua, have also remained silent to date.

William L. Krieg
Chargé d'Affaires ad interim

CONTRIBUTOR: H. E. Urist

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